



## **Minnieweather Crutch Audray D**

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**From:** Scott Chad D  
**Sent:** Friday, July 27, 2018 9:48 AM  
**To:** Merritt Thurman A  
**Subject:** RE: Urgent request

I honestly don't understand either. I was excluded from the analysis and conversation, it's possible my interpretation of the state plan and work requirements over the last ten years has been incorrect.

I know you are uncomfortable with the word incompetent, but incompetence is my only explanation for the analysis and decision. The only other explanation I can think of is they are purposely attempting to cover up the federal liability owed due to Oregon continuing to pay for services determined not medically appropriate. As record of that is hard copy in an auditable format within MMIS, I don't think that will be successful.

Please let me know how I can assist with anything.

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**From:** Merritt Thurman A  
**Sent:** Friday, July 27, 2018 9:42 AM  
**To:** Scott Chad D <CHAD.D.SCOTT@dhsosha.state.or.us>  
**Subject:** RE: Urgent request

Chad: I saw your email from last evening and a few this morning. I am not completely understanding the questioning of denial letters that must follow a highly specific format and be legally defensible. Am I missing something?

Allen

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**From:** Scott Chad D  
**Sent:** Friday, July 27, 2018 8:31 AM  
**To:** [Jared.Nyagol@kepro.com](mailto:Jared.Nyagol@kepro.com)  
**Cc:** Jasper Shannon D <[SHANNON.D.JASPER@dhsosha.state.or.us](mailto:SHANNON.D.JASPER@dhsosha.state.or.us)>; Stanton Margie <[MARGIE.C.STANTON@dhsosha.state.or.us](mailto:MARGIE.C.STANTON@dhsosha.state.or.us)>; Busek Rhonda J <[RHONDA.J.BUSEK@dhsosha.state.or.us](mailto:RHONDA.J.BUSEK@dhsosha.state.or.us)>; Norman Chris P <[CHRIS.P.NORMAN@dhsosha.state.or.us](mailto:CHRIS.P.NORMAN@dhsosha.state.or.us)>; Morris Michael N <[MICHAEL.N.MORRIS@dhsosha.state.or.us](mailto:MICHAEL.N.MORRIS@dhsosha.state.or.us)>; Jagger Dawn A <[Dawn.Jagger@dhsosha.state.or.us](mailto:Dawn.Jagger@dhsosha.state.or.us)>; Merritt Thurman A <[THURMAN.A.MERRITT@dhsosha.state.or.us](mailto:THURMAN.A.MERRITT@dhsosha.state.or.us)>  
**Subject:** Urgent request  
**Importance:** High

Hi Jared,

**Re: Contract Number 151473**

Effective immediately, Please do not process any denials including sending any letters related to denials and/or discontinuation of services.

The parts of the contract affected by this request are identified below.

**EXHIBIT A**  
**Part 2**  
**Statement of Work**

**7d. - Medical Appropriateness Review services**

**7f. - Treatment Episode Monitoring – Sections 1 and 2**

If you have any questions or concerns, please direct those to Rhonda Busek.

Chad Scott

Provider Clinical Support

Health Systems DivisionDesk: 503-947-5031

<http://www.oregon.gov/OHA>



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**From:** Scott Chad D

**Sent:** Friday, July 27, 2018 10:22 AM

**To:** Dugger Regan J <[REGAN.J.DUGGER@dhsola.state.or.us](mailto:REGAN.J.DUGGER@dhsola.state.or.us)>; ARMENDARIZ Carmen

<[Carmen.ARMENDARIZ@dhsola.state.or.us](mailto:Carmen.ARMENDARIZ@dhsola.state.or.us)>; WILCOX Richard A

<[Richard.A.WILCOX@dhsola.state.or.us](mailto:Richard.A.WILCOX@dhsola.state.or.us)>; SWEET Elaine <[Elaine.SWEET@dhsola.state.or.us](mailto:Elaine.SWEET@dhsola.state.or.us)>

**Cc:** Knight Kelly C <[KELLY.C.KNIGHT@dhsola.state.or.us](mailto:KELLY.C.KNIGHT@dhsola.state.or.us)>; Jasper Shannon D

<[SHANNON.D.JASPER@dhsola.state.or.us](mailto:SHANNON.D.JASPER@dhsola.state.or.us)>; Hill Sharon K <[SHARON.K.HILL@dhsola.state.or.us](mailto:SHARON.K.HILL@dhsola.state.or.us)>;

Merritt Thurman A <[THURMAN.A.MERRITT@dhsola.state.or.us](mailto:THURMAN.A.MERRITT@dhsola.state.or.us)>

**Subject:** RE: Garden Place SRTF

These are likely due to Kepro denials, however, Kepro is only applying the SRTF admission rule that went into effect on May 1<sup>st</sup>. This criteria is used both for approval for referral to SRTF from OSH and for admission and continued stay determinations for Medicaid. The new rule was poorly written, placed in the incorrect rule set and includes criteria that generally cannot be met at the point of referral or determination of continued stay. The majority of continued stay approvals have been the result of administrative appeal decisions by OHA and not due to the person meeting medical appropriateness or admission criteria, which is an issue.

I believe this rule is being re-written to reduce or clarify the restrictions. Rick said the RAC is targeted for September, possibly, but as Jayne mentions, that will not help with their current scenario and we may see similar scenarios as time goes on.

Because placement of the admission criteria exists in the licensing rule, it is essentially a licensure violation for the provider to admit or retain someone in an SRTF that does not meet that criteria at any given time. It isn't a Medicaid coverage determination beyond determination the license / credential is not appropriate to treat the condition as the license holder would be out of compliance with licensing requirements if they were to admit or continue to treat the person. Continued placement of the requirements or conditions for placement in a setting licensed as secure in the licensing rule will not be useful for Medicaid coverage determinations as coverage decisions will continue to be based on the service requested and not the provider type or place of service (unless there is a change in benefit made to the state plan that adds SRTF as a defined benefit). If someone cannot admit to a program, Kepro cannot review the procedures requested to be covered, so regardless of revised criteria, when admission criteria exists in licensing rule, Kepro's first consideration in reviewing a request will be 410-172-00630(2)(a) and not medical appropriateness of the proposed service to treat the persons needs or condition, so this issue may continue after revision.

Using the provider appeals rule, we've been responding to significant concerns from SRTF providers and OSH regarding the effect of the May 1<sup>st</sup> rule on the ability to admit and approve continued stay in SRTF but this is the first I've learned of the issue affecting a provider in a way OHA cannot resolve through Medicaid rules.

\*From last week, there are 17 SRTF denials pending (15 due to documentation / no documentation the person meets the admission rule) with two being denied after documentation was resubmitted. That is based on a report from 7/19/18, so there may be more.



An emergency repeal of the SRTF admission portion of the licensing rule may be required if the revision can't be implemented soon and there should be serious consideration given to the ruleset that criteria is placed.

Sheltercare's plan is to relicense as an RTF and Jayne has some questions on that process. Someone should reply to her fairly soon to prevent closure of the program if we think that is important. Here are the questions.

*1. We have been advised that it may be possible to be a "Specialty RTF" wherein we could continue to embed behavioral health services into the program and bill for reimbursement via a H2018 code. Is this a possibility? If yes, can you advise on the process for achieving this?*

*2. How do we obtain a T1020 rate? Is it a standard rate or do we submit a budget to someone? If standard, what is the rate? If a budget submission, to whom is it sent? If we are able to be a specialty RTF provider, is the T1020 rate different than we would receive otherwise?*

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**From:** Dugger Regan J

**Sent:** Thursday, July 26, 2018 12:34 PM

**To:** ARMENDARIZ Carmen <[Carmen.ARMENDARIZ@dhsoba.state.or.us](mailto:Carmen.ARMENDARIZ@dhsoba.state.or.us)>; WILCOX Richard A <[Richard.A.WILCOX@dhsoba.state.or.us](mailto:Richard.A.WILCOX@dhsoba.state.or.us)>; SWEET Elaine <[Elaine.SWEET@dhsoba.state.or.us](mailto:Elaine.SWEET@dhsoba.state.or.us)>; Scott Chad D <[CHAD.D.SCOTT@dhsoba.state.or.us](mailto:CHAD.D.SCOTT@dhsoba.state.or.us)>

**Cc:** Knight Kelly C <[KELLY.C.KNIGHT@dhsoba.state.or.us](mailto:KELLY.C.KNIGHT@dhsoba.state.or.us)>; Jasper Shannon D <[SHANNON.D.JASPER@dhsoba.state.or.us](mailto:SHANNON.D.JASPER@dhsoba.state.or.us)>; Hill Sharon K <[SHARON.K.HILL@dhsoba.state.or.us](mailto:SHARON.K.HILL@dhsoba.state.or.us)>

**Subject:** RE: Garden Place SRTF

Thank you for the information Carmen.

I do have a couple of questions for the group (and please forward to others if needed for comprehensive feedback).

There have been a few instances in recent history when a facility either changed its function (e.g. SRTF to RTH, or similar) or ceased operations completely. Unfortunately, they continued to receive funding for a significant period of time following this change. Had Contracts been informed sooner, even if it was just a potential change, we could have taken steps to limit this on-going funding (amend contracts). In addition, there has been instances of capacity reduction due to prolonged vacancies that might have also been avoided if the information was routed to the right location prior to the facility changing operations. This leads to the questions:

1. How can we improve cross-unit communication to ensure this information is getting to the right teams at the right times to avoid overpayment or permanent loss of systemic capacity?
2. Are there any tools currently available to access this information in a timely manner or could we create the tools to facilitate timely information flowing to the units?
3. Do we need to look at contract or service element language modifications to address these concerns and are there any suggestions in this regard?

We have so many knowledgeable, compassionate, and talented individuals working in our various units who would be happy to do what is needed to ensure the clients have access to the right level of care

and that our providers are compensated fairly. Perhaps, collectively we can find answers to address the system gaps and prevent future problems from happening before it's too late.

Thoughts, ideas? Thanks for your time and attention!  
Regan

Regan Dugger, MBA, CPSM  
OHA HSD – Business Operations  
Contracts Manager  
503-945-7814 (direct)

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**From:** ARMENDARIZ Carmen  
**Sent:** Thursday, July 26, 2018 11:43 AM  
**To:** WILCOX Richard A <[Richard.A.WILCOX@dhsola.state.or.us](mailto:Richard.A.WILCOX@dhsola.state.or.us)>; SWEET Elaine <[Elaine.SWEET@dhsola.state.or.us](mailto:Elaine.SWEET@dhsola.state.or.us)>; Scott Chad D <[CHAD.D.SCOTT@dhsola.state.or.us](mailto:CHAD.D.SCOTT@dhsola.state.or.us)>  
**Cc:** Knight Kelly C <[KELLY.C.KNIGHT@dhsola.state.or.us](mailto:KELLY.C.KNIGHT@dhsola.state.or.us)>; ARMENDARIZ Carmen <[Carmen.ARMENDARIZ@dhsola.state.or.us](mailto:Carmen.ARMENDARIZ@dhsola.state.or.us)>; Jasper Shannon D <[SHANNON.D.JASPER@dhsola.state.or.us](mailto:SHANNON.D.JASPER@dhsola.state.or.us)>; Hill Sharon K <[SHARON.K.HILL@dhsola.state.or.us](mailto:SHARON.K.HILL@dhsola.state.or.us)>; Dugger Regan J <[REGAN.J.DUGGER@dhsola.state.or.us](mailto:REGAN.J.DUGGER@dhsola.state.or.us)>  
**Subject:** Garden Place SRTF  
**Importance:** High

Hello everyone.

I have asked Tamara McNatt to confirm with Chris Judson what is happening with Garden Place SRTF.

I checked with Karen Knight and she has confirmed that no housing development funds are in Garden Place SRTF.

I checked Rbase and there are no general funds being paid to Garden Place.

Chad – Are clients at Garden Place moving because of Kepro denials?

Elaine – What are next steps?

Thanks,

*Carmen Armendariz*  
Desk: 503-945-8995